OIL AND GAS CONSERVATION COMMISSION 4515 N. 7th Avenue Phoenix, Arizona 85013

Minutes of Meeting March 15, 1974

Present:

Mr. Ralph W. Bilby, Chairman

Mr. W. Roger Hafford, Vice Chairman

Mr. Robert A. Bledsoe, Member Mr. F. Keith Benton, Member

The regular Commission meeting for the month of March, 1974 was called to order by Chairman Ralph Bilby at 10:00 a.m.

Minutes of meeting of February 15, 1974 were approved as written.

Reports of Executive Secretary, Enforcement Section and Geology Section were accepted.

Executive Secretary reported that House Bill 2148 providing a supplemental budget to the Commission to conduct geology work within the State of Arizona, as outlined at the February meeting, has been given the approval of the Joint Legislative Budget Committee, has been passed by the House Natural Resources Committee, and is now in the House Rules Committee.

House Bill 2222 providing for a severance tax on oil, natural gas, helium and geothermal resources, as outlined at the February meeting, was amended by the House Ways and Means Committee to provide for a severance tax of 7-1/4% rather than the tax of 5% suggested by the Commission. This bill has now passed all of the House committees with the exception of the Rules Committee, where it is still being considered.

William E. Allen, Director of Enforcement Section of the Commission, advised that the Commission has just issued a permit for the third geothermal test to be drilled in Arizona. The location is in Graham County near Eden, Arizona.

J. N. Conley, Director of Geology Section, introduced Mr. Charles E. Druitt, who has replaced Mr. Edward Koester as a staff geologist.

Commission approved four out-of-state trips to be made during

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the balance of the fiscal year, funds permitting: March, 1974, J. N. Conley - U.S. Geological Survey-Western State Geologists Geothermal Planning Meeting, Menlo Park, California; May, 1974, John Bannister - Independent Petroleum Association of America, Denver, Colorado; May, 1974, John Bannister - Geothermal Resources Council Special Course on Geothermal Regulations, San Francisco, California; and June, 1974, John Bannister - Interstate Oil Compact Commission, Vail, Colorado.

Meeting adjourned at 11:30 a.m.

APPROVED

April 19, 1974

Also present at meeting:

Dr. Joseph F. Schreiber Department of Geosciences University of Arizona Tucson, Arizona